standardize on 16:9 for a video wide aspect ratio was reached more than a decade ago after extensive and careful deliberations with extensive participation by the motion picture and television production communities.

As the broadcasters point out, the 16:9 aspect ratio is the format that has been selected by the Society of Motion Picture and Television Engineers ("SMPTE") and, like other aspects of the ATSC DTV standard that have been incorporated to ensure maximum international compatibility, it also has been adopted by the International Telecommunications Union ("ITU"), Japan and, as expected shortly, the European Union, maximizing the chance that U.S.-produced programming will sell overseas <sup>39</sup> As a result, manufacturers around the world already have invested heavily in equipment, including camera lenses, production equipment, picture tubes and widescreen receivers in the 16:9 format, resulting in lower prices for broadcasters as they invest in DTV

The Film Makers Coalition has expressed concern over the ATSC DTV standard's adoption of the 16:9 aspect ratio, and argues that all broadcasters should be required to transmit all films in their native aspect ratio, and that if receiver standards are adopted, they should include a 2:1 aspect ratio.

Philips agrees with MPAA, the principal representative of the film industry, that a wider aspect ratio would represent a net loss to the public, both in terms of the cost of digital receivers and the overall amount of original material that can be displayed without panning and scanning or "letter boxing." Broadcasters concur that consumer prices would increase if the 2:1 aspect ratio proposed by the Coalition of Film Makers is adopted, due principally to its increased memory and display requirements. Finally, adoption of a 2:1 aspect ratio would reduce DTV's interoperability with computers.

What Philips finds most curious about the debate over aspect ratios is that the arguments used by opponents of the 16:9 aspect ratio in the ATSC DTV standard are at times

<sup>39/</sup> See, Broadcasters' Comments at 12-13.

<sup>40/</sup> See, MPAA Comments at 2,4.

<sup>41/</sup> See, Broadcasters Comments at 14.

<sup>42/</sup> See, Broadcasters Comments at Footnote 22.

entirely inconsistent with the other criticisms they lodge against the standard. For instance, the Film Makers Coalition pleads for the protection of the artistic integrity of its works, arguing that the 16:9 aspect ratio is overly restrictive and will require undesirable cropping of filmed works. Yet, in the same breath, these groups reject the one transmission standard that will enable their products to be viewed in near movie-quality, high resolution in every home, and support instead a standard, the CICATS standard, which does not provide *any* assurance as to whether a film will be transmitted and displayed according to its native aspect ratio, or, for that matter, any other aspect ratio.

## IV. CONCLUSION

The weight of evidence overwhelmingly supports the Commission's adoption of the ATSC DTV standard. The record firmly establishes the ATSC DTV standard's superiority over all other DTV transmission standards in the world, not only because of its unmatched flexibility, extensibility and interoperability with alternative media, including computers, but also because of the extraordinary public-private partnership, led by the ACATS and the FCC, through which it has been developed.

By contrast, the cable industry and the five companies comprising CICATS and their allies have utterly failed to meet their burden of proof that the ATSC DTV standard should not be adopted. These groups represent a distinctly minority view that rejects the Commission's goal of preserving and enhancing our nation's system of free over-the-air broadcasting, as well as the goal of bringing the highest quality HDTV service to American consumers. Not only are their positions abjectly anticompetitive, but the alternative proposals, upon which they themselves cannot agree, are based upon untested scientific theory, flawed methodological analysis, and fictitious demand forecasts.

To the extent these groups seek a migration to full progressive scan, Philips is prepared to commit itself to engaging constructively in an open and objective process that would accomplish such a transition, but only once the ATSC DTV standard is adopted in its entirety. To do any less would be a repudiation of the ATSC DTV standard which will deprive American viewers of the unmatched capabilities of the ATSC DTV standard and artificially constrain broadcasters from utilizing the advanced technology which has been developed in this extraordinary decade long process

The time for the Commission to act is now. Failure to adopt swiftly the ASTC DTV standard would place America at great risk of losing its already diminishing technological lead over foreign-developed DTV standards, and with it, tremendous international trade opportunities and many thousands of U.S. jobs. Philips implores the Commission to adopt immediately the proposed ATSC DTV broadcast transmission standard so that the United States can move into the 21st Century with a clear vision and an intelligent plan to bring about the digital television revolution.

Respectfully submitted,

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